PL2 21010

FILE: B-209582 DATE: November 22, 1982

MATTER OF: Burrelle's Press Clipping Service

DIGEST:

1. Despite the absence of a formally executed contract, firm may be paid on a quantum meruit basis for the reasonable value of press clipping services rendered, since the Government requested and received the benefit of the services.

2. Payment of an invoice on a quantum meruit basis for services rendered may not be made where the Government canceled the services before they were rendered.

The General Services Administration (GSA) requests our decision on a claim by Burrelle's Press Clipping Service for payment for services rendered providing press clippings to the National Transportation Policy Study Commission (Commission) from June 1979 through November 1979. We believe that the claim should be allowed, but only for Burrelle's services through October 1979.

The Commission entered into a one-month contract with Burrelle's in August 1977. The Commission, however, continued to request orally and receive Burrelle's services until the fall of 1979 without a written agreement. The Commission informed Burrelle's of its dissatisfaction with Burrelle's performance by letter of October 25, 1979, which purported to cancel Burrelle's services "retroactive to December 1, 1978." Burrelle's nonetheless has submitted invoices for payment of \$483.76 for services rendered from June 1979 through November 1979. GSA, which was delegated authority during December 1979 to approve the Commission's expenditures after the Commission's termination at the end of that month, recommends that we approve payment of only \$442.52, which excludes \$41.24 that Burrelle's seeks for services rendered during November The delegation does not authorize GSA to ratify the Commission's informal commitments.

B-209582 2

Although no formally executed contract existed between the Commission and Burrelle's, in appropriate circumstances payment may be made for services rendered on a quantum meruit basis. 40 Comp. Gen. 447, 451 (1961). This right to payment requires a showing that the Government received a benefit from the services, and is predicated on the theory that the Government should not retain a benefit without paying for it. See B-204388, January 5, 1982.

GSA reports that the Commission's file indicates that the Commission requested and received the benefit of Burrelle's services through October 1979. There is nothing in the record before our Office, however, to indicate whether Burrelle's claim of \$442.52 for the services from June 1979 through October 1979 in fact represents the reasonable value of the work actually performed, which is the measure of a quantum meruit payment. Therefore, Burrelle's may be paid for those services only after GSA confirms that Burrelle's claim indeed reflects their reasonable value, or the agency otherwise establishes a reasonable value for the services. See Markwell & Hartz Company, B-201987, June 24, 1981, 81-1 CPD 527.

It is clear, however, that the Commission expressly canceled Burrelle's services after October 25, 1979. We therefore agree with GSA that Burrelle's should not be paid for these services.

Comptroller General of the United States